GOVERNMENT OF INDIA
COAL
LOK SABHA

UNSTARRED QUESTION NO:463
ANSWERED ON:27.07.2005
NATIONAL POLICY ON SMUGGLING AND PILFERAGE OF COAL
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Will the Minister of COAL be pleased to state:

(a) whether the Government has formulated any policy or criteria to allocate coal mines and linkages of coal sectors;

(b) ifso, the details thereof ;

(c) if not, the reasons therefor ;

(d) whether the Government proposes to formulate a country-wise policy on smuggling and pilferage of coal ;

(e) ifso, the details thereof, and

(f) if not, the reasons therefor ?

Answer

MINISTER OF STATE IN THE MINISTRY OF COAL DR. DASARI NARAYANA RAO)

(a)to(c) The Coal Mines (Nationalisation) Act, 1973 was amended in 1976 and in 1993 to allow captive coal mining for certain sectors. Companies engaged in iron and steel production, power generation and such other end uses as may be notified by the Central Government from time to time were allowed to do coal mining for captive consumption. Under the powers conferred by the 1993 amendment, production of cement has been notified as an end use for captive mining. In pursuance of the same, a Screening Committee headed by Secretary (Coal) has been formed in the Ministry of Coal in which the representatives of the Ministry of Power, Ministry of Steel, Ministry of Commerce & Industry (Department of Industrial Policy & Promotion), Ministry of Railways, Chief Secretary of the concerned State Government, Director (Technical) CIL, CMD, CMPDIL and the CMD of the concerned coal company are members.The Screening Committee considers requests of the applicant companies and decides allocation of coal blocks on merits. This selection process for allocation of coal block is proposed to be substituted by the competitive bidding process of selection.As for coal linkage to core sector consumers such as the power plant, cement plant and sponge iron plants, the following three linkage committees are functioning the Ministry of Coal:

(a) Standing Committee (Long Term) Grants coal linkage on long term basis to power and cement plants.

(b) Standing Linkage Committee (Short Term): Grants coal linkage on quarterly basis to power plants and cement plants

(c) Standing Linkage Committee for Sponge Iron Units and Ferro Alloys Units. This Committee considers the applications for grant of coal linkage on long term basis to sponge iron units.This Committee was constituted by Ministry of Steel which has now been transferred to Ministry of Coal.

(d) to (f) Law and order is a State subject and hence the coal companies maintain close liaison with the State authorities. In addition, the following steps are being taken by subsidiary companies of CIL to prevent theft/pilferage of coal: -

(i) Collection of intelligence reports about illegal coal depots and illegal movement of coal and informing district authorities of the same for taking preventive action;

(ii) Installation of check-posts at vulnerable points to check transport documents;

(iii) Construction of watch-towers and providing lighting arrangements around the coal stacking area;

(iv) Erection of barbed-wire/wall fencing around pithead depots, static security manning including deployment of armed guards during the night hours;

(v) Escorting of loaded rakes up to railway weighbridges by armed guards and joint patrolling with Railway Protection Force (RPF) in the long railway tracks which are prone to wagon looting;

(vi) Sealing of illegal mining spots;

(vii) Stringent action against transport vehicles caught in the act of theft or pilferage;

(viii) Engagement of lady security guards for preventing women and children indulging in theft/pilferage of coal, strengthening of the security discipline by reassessing the requirement of security personnel, horizontal movement of executives with aptitude for security work and inducting qualified security personnel at junior, middle and senior levels.

(ix) Training of existing security personnel, refresher training of CISF personnel and basic training to new recruits in security discipline for strengthening the security set up.